



Oregon

Theodore R. Kulongoski, Governor

Department of State Police Oregon Emergency Management

P.O. Box 14370
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www.osp.state.or.us/oem/

March 17, 2004

City of Elgin
Dan Breshears
P O Box 128
Elgin, OR 97827



RE: FEMA-DR-1510-OR
PA 06122550:

Dear Mr. Breshears:

Enclosed is the formal contract that will need to be signed by your local jurisdiction in order to receive federal disaster relief funding for Public Assistance for DR-1510-OR. This contract is a follow-up to the Request for Public Assistance (RPA) that your agency has filed with FEMA, and is the official contract by which you will be receiving your disaster assistance.

We would ask that you return this contract to our agency as soon as possible as it will need to be signed by both parties before any funding can be processed. After the contract has been signed by both parties, a copy will be returned to you for your records. If you need a copy with original signatures, please feel free to make additional copies of the contract.

In the near future you will receive a packet including Project Work Sheets (PW), Project Completion and Certification forms (P'4 forms), Project Application Summary (P2 forms) and Payment Request Forms. In addition, you may receive a Statement of Documentation and Final Inspection Report. This report is only necessary with large projects (over \$54,100), that are not 100% complete at the time the PW was written. Please keep these forms for future use.

If you have any questions, please contact me at (503) 378-2911 ext. 22222.

Sincerely,

Denise Choin
Acting Grants Coordinator

Enclosures

o:disaster/dr1510



STATE OF OREGON
OREGON EMERGENCY MANAGEMENT
INFRASTRUCTURE CONTRACT 1510-DR-OR

1.0 PARTIES TO THIS AGREEMENT

This Agreement is made and entered into by and between the State of Oregon, by and through the Department of State Police, Office of Emergency Management, hereinafter referred to as "OEM" and the City of ELGIN, hereinafter referred to as the "SUBGRANTEE".

WHEREAS the President of the United States has declared that a major disaster exists in the State of Oregon based on damage resulting from a severe winter storm on December 26, 2003 through January 14, 2004, and

WHEREAS OEM is authorized by the 2004 FEMA-State Agreement for the 2003/2004 Severe Winter Event to execute on behalf of the State of Oregon all necessary documents for public assistance, including approval of sub-grants and certification of claims;

THEREFORE, the Parties mutually agree to the following:

2.0 PURPOSE

Federal funding is provided by the Federal Emergency Management Agency (FEMA) and is administered by OEM. Under the authority of Presidential Major Disaster Declaration FEMA 1510-DR-OR, OEM is reimbursing the SUBGRANTEE for those eligible costs and activities necessary for the repair and restoration of public facilities damaged during the period of December 26 through January 14, in the manner described herein.

3.0 TIME OF PERFORMANCE

Activities payable under this Agreement and to be performed by the SUBGRANTEE under this Agreement shall be those activities which occurred on or subsequent to the incident period defined in the FEMA-State Agreement and shall terminate upon completion of the project(s) approved by federal and state officials, including completion of close out and audit. This period shall be referred to as the "Agreement Period."

4.0 CLOSE-OUT

It shall be the responsibility of OEM to issue close-out instructions to the SUBGRANTEE upon completion of the project(s).

5.0 FUNDING

OEM will administer the disaster assistance program and reimburse any eligible costs for eligible projects to the SUBGRANTEE which are identified under the auspices of the Presidential Major Disaster Declaration FEMA-1510-DR-OR. It is understood that no final dollar figure is committed to at the time that this Agreement is executed, but that financial commitments will be made by amendments to the project application as Project Worksheets are completed in the field and projects are authorized by state and federal officials.

The parties understand that the Federal Emergency Management Agency will contribute 75 percent of the eligible costs for any eligible project and also will contribute an administrative allowance, as provided for in subsection 3 of Section 6.0 of this Agreement, and that no state funds are obligated for contribution under this Agreement.

The SUBGRANTEE will commit and is responsible for providing the required 25 percent match to any eligible project for the SUBGRANTEE which has been identified under the Presidential Major Disaster Declaration FEMA-1510-DR-OR and for which funding is authorized by state and federal officials.

6.0 PAYMENTS

OEM, using funds granted for the purposes of the Presidential Major Disaster Declaration from FEMA, shall issue payments to the SUBGRANTEE as follows:

1. Small Projects:
 - a) Small Projects are eligible for funding up to an amount designated by FEMA as provided in 44 CFR 206.205(a). For FEMA-1510-DR-OR, that amount is \$54,100.
 - b) Payments are made for all small projects to the SUBGRANTEE upon submission of a State of Oregon Disaster Assistance Payment Request to OEM, and the subsequent approval by OEM.
2. Large Projects
 - a) Large Projects are eligible for funding in excess of the amount allowed for Small Projects, as provided in 44 CFR 205.205(b).
 - b) Partial Payments: Partial payment of funds for costs already incurred on large projects may be made to the SUBGRANTEE upon submission of a State of Oregon Disaster Assistance Payment Request, with appropriate supporting documentation, to OEM, upon approval by OEM.
 - c) Final Payment: Final payment will be made upon submission by the SUBGRANTEE of CERTIFICATION OF LARGE PROJECT COST, completion of project(s), completion of all final inspections by OEM, and final approval by FEMA. Final payment may also be conditioned upon a financial review, if determined necessary by OEM or FEMA. Adjustments to the final payment may be made following any audits conducted by the Oregon Secretary of State's Audits Division or the United States Inspector General's Office.
3. In addition to payment as provided by subsections 1 and 2 of this section 6.0, SUBGRANTEE is eligible to receive federal administrative monies, upon completion and closure of the project, for the costs of requesting, obtaining, and administering the disaster assistance grant. This payment shall be based upon the following percentages of total eligible costs.
 - For the first \$100,000 of eligible costs, three percent of such costs;
 - For the next \$900,000, two percent of such costs;
 - For the next \$4,000,000, one percent of such costs; and
 - For those costs over \$5,000,000, one-half percent of such costs.

4. All payment requests shall be made on a State of Oregon Disaster Assistance Payment Request Form to OEM, which references the appropriate Project Worksheet (PW), and appropriate documentation as required.
5. Funding shall not exceed the total federal contributions eligible for the repair and restoration costs under this Presidential Major Disaster Declaration FEMA-1510-DR-OR. On Large Projects, OEM reserves the right to make any inspection prior to release of any payment or at any time during the duration of this agreement.

7.0 RECORDS MAINTENANCE

The SUBGRANTEE shall maintain books, records, documents, and other evidence and accounting procedures and practices, which sufficiently and properly reflect all direct costs of any nature expended in the performance of this Agreement. These records shall be subject at all reasonable times to inspection, review, or audit by OEM personnel, other personnel duly authorized by OEM, the Secretary of State's Audits Division or the United States Inspector General. The SUBGRANTEE will retain all books, records, documents, and other material relevant to this Agreement for three years after date of final payment, or an extended period as established by FEMA in 44 CFR 13.42.

8.0 AUDITS

Audits shall be in accordance with the Single Audit Act of 1984. The SUBGRANTEE is to procure, at its own cost, audit services based on the following guidelines:

1. SUBGRANTEE receiving less than \$50,000 in federal funds in a fiscal year is exempt from compliance with the Single Audit Act. However, records must be available for review by OEM.
2. SUBGRANTEE receiving \$50,000 to \$500,000 in total federal funds in a fiscal year may choose to have an audit made in accordance with the Office of Management and Budget (OMB) Circular A-133 or a program audit.
3. SUBGRANTEE receiving \$500,000 or more in a fiscal year in total federal funds shall have a Single Audit made in accordance with OMB Circular A-133.

As applicable, the SUBGRANTEE must ensure the audit is performed in accordance with Generally Accepted Accounting Principles; Generally Accepted Government Auditing Standards developed by the Comptroller General; the OMB Compliance Supplement for Single Audits of State and Local Governments; and all state and federal laws and regulations governing the program.

The SUBGRANTEE must prepare a Schedule of Financial Assistance for federal funds that includes: Grantor name, program name, federal catalog number (CFDA-83.516), grantor agreement number, total award amount, beginning balance, current year revenues, current year expenditures and ending balance.

The SUBGRANTEE shall maintain records and accounts in such a way as to facilitate OEM's audit requirements, and shall ensure that Subcontractors also maintain records which are auditable. The SUBGRANTEE is responsible for any audit exceptions incurred by itself or by its Subcontractors. OEM reserves the right to recover from the SUBGRANTEE disallowed costs resulting from the final audit.

The SUBGRANTEE shall send the audit report to OEM's Project Administrator as soon as it is available, but no later than nine months after the end of the SUBGRANTEE's fiscal year in which SUBGRANTEE receives any funds under this Agreement. Responses to previous management findings and disallowed or questioned costs shall be included with the audit report. The SUBGRANTEE will respond to OEM's requests for information or corrective action concerning audit issues within 30 days of the request.

The SUBGRANTEE shall include these requirements in any subcontracts.

9.0 RECOVERY OF FUNDS

In the event that the SUBGRANTEE fails to complete the project(s), fails to expend or is overpaid federal funds in accordance with federal or state disaster assistance laws or programs, or is found by audit or investigation to owe funds to the State or to FEMA, OEM reserves the right to recapture funds in accordance with federal or state laws and requirements. Repayment by the SUBGRANTEE of funds under this recovery provision shall occur within 30 days of demand. In the event that OEM is required to initiate legal proceedings to enforce this recovery provision, OEM shall be entitled to its costs thereof, including reasonable attorney fees.

The SUBGRANTEE shall be responsible for pursuing recovery of monies paid under this Agreement in providing disaster assistance against any party that might be liable, and further the SUBGRANTEE shall cooperate in a reasonable manner with the State and the United States in efforts to recover expenditures under this Agreement.

In the event the SUBGRANTEE obtains recovery from a responsible party, the SUBGRANTEE shall first be reimbursed its reasonable costs of litigation from such recovered funds. The SUBGRANTEE shall pay to the state the proportionate federal share of all project funds recovered in excess of costs of litigation.

10.0 CONFLICT OF INTEREST

The SUBGRANTEE will prohibit any employee, governing body, contractor, subcontractor or organization from participating if the employee or entity has an actual or potential conflict of interest that a public official would have under ORS Chapter 244.

11.0 POLITICAL ACTIVITY

No portion of the funds provided herein shall be used for any partisan political activity or to further the election or defeat of any candidate for public office or influence the approval or defeat of any ballot measure.

12.0 ASSIGNMENT

This Agreement, and any claim arising under this Agreement, is not assignable or delegable by the SUBGRANTEE either in whole or in part.

13.0 SUBCONTRACTS FOR ENGINEERING SERVICES

In the event that the SUBGRANTEE subcontracts for engineering services, the SUBGRANTEE shall require that the engineering firm be covered by errors and omissions insurance in an amount not less than the amount of the firm's subcontract. If the firm is unable to obtain errors and omissions insurance, the firm shall post a bond with the SUBGRANTEE for the benefit of the SUBGRANTEE of not less than the amount of its subcontract. Such insurance or bond shall remain in effect for the entire term of the subcontract. The subcontract shall provide that cancellation or lapse of the bond or insurance during the term of the subcontract shall constitute a material breach of the subcontract and cause for subcontract termination. The SUBGRANTEE shall cause the subcontractor to provide it with a 30 day notice of cancellation issued by the insurance company.

14.0 APPEALS

Consistent with the Code of Federal Regulations, 44 CFR 206.206, the SUBGRANTEE may appeal any determination previously made related to the federal assistance for the SUBGRANTEE. The SUBGRANTEE's appeal shall be made in writing and submitted to OEM within 60 days after receipt of notice of the action which is being appealed. The appeal shall contain documented justification supporting the SUBGRANTEE's position.

Upon receipt of an SUBGRANTEE's appeal, OEM will review the material submitted, make such additional investigations as necessary, and shall forward the appeal with a written recommendation to FEMA within 60 days. Within 90 days following receipt of the appeal, FEMA shall advise OEM, in writing, as to the disposition of the appeal or the need for additional information. If the decision is to grant the appeal, then FEMA will take the appropriate implementing action.

15.0 GOVERNING LAW AND VENUE

This Agreement shall be governed and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively "Claim") between OEM and SUBGRANTEE that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the in the Circuit Court of Marion County for the State of Oregon, provided, however, if the Claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively with the United States District Court for the District of Oregon. SUBGRANTEE, BY EXECUTION OF THIS AGREEMENT, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS.

16.0 TERMINATION

1. Except as otherwise provided in this Agreement, either party may terminate this Agreement upon giving thirty (30) days written notice to the other party. In the event of termination of this Agreement, each party shall be liable only for services rendered by the other party, prior to the effective date of termination.
2. OEM may unilaterally terminate all or part of this Agreement or may reduce its scope of work if there is a reduction in federal funds which are the basis for this Agreement.

17.0 WAIVERS

The failure of OEM to exercise, and any delay in exercising, any right, power, or privilege under this Agreement shall not operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or privilege under this Agreement preclude any further exercise thereof or the exercise of any other such right, power or privilege. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

18.0 INDEMNIFICATION

To the extent permitted by any constitutional and statutory limitations applicable to SUBGRANTEE, including, but not limited to, provisions relating to debt limits, tort claims limits and workers' compensation, the SUBGRANTEE shall, as required by ORS 401.145(2), indemnify, defend, save and hold harmless the United States and its agencies, officers, employees, agents and members, and the State of Oregon and its agencies, officers, employees, agents and members, from and against all claims, damages, losses, expenses, suits or actions of any nature arising out of or resulting from the activities of SUBGRANTEE, its agencies, officers, employees, agents, members, contractors or subcontractors under this Agreement.

19.0 SUBGRANTEE ASSURANCES

SUBGRANTEE represents and warrants to OEM as follows:

1. SUBGRANTEE is [a political subdivision of the State of Oregon] ~~[an independent, non-profit corporation duly organized, validly existing and in good standing under the laws of the State of Oregon].~~ SUBGRANTEE has full power, authority and legal right to execute and deliver this Agreement and incur and perform its obligations hereunder.
2. This Agreement has been duly authorized, executed and delivered on behalf of Subgrantee and constitutes the legal, valid and binding obligation of Subgrantee, enforceable in accordance with its terms.
3. The SUBGRANTEE hereby assures and certifies that it will comply with all applicable state and federal laws and regulations, including, but not limited to, the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 USC §§ 5121-5206 (Public Law 93-288, as amended; hereafter "Stafford Act"); 44 CFR Parts 7, 13, 14, 17, 18 and 206, and Subchapters B, C and D; Office of Management and Budget Circulars A-21, A-87, A-102, A-110, A-122 and A-133; the Oregon State Public Assistance Administrative Plan dated September 1993; Wages, Hours and Records Laws (ORS Chapter 652) Conditions of Employment Laws (ORS Chapter 643) and Unemployment Insurance Laws (ORS Chapter 657).
4. The emergency or disaster relief work for which federal assistance is requested herein does not or will not duplicate benefits received for the same loss from any other source.
5. The SUBGRANTEE will operate and maintain the facilities being restored using funds provided under this Agreement in accordance with the minimum standards as may be required or prescribed by the applicable federal, state and local agencies for the maintenance and operation of such facilities.

6. The SUBGRANTEE will, for any repairs or construction financed herewith, comply with applicable standards of safety, decency and sanitation and in conformity with applicable codes, specifications and standards, and will evaluate the hazards in areas in which the proceeds of the grant are to be used and take appropriate action to mitigate such hazards, including safe land use and construction practices. SUBGRANTEE will, prior to the start of any construction activity, ensure that all applicable federal, state and local permits and clearances are obtained including FEMA compliance with the National Environmental Policy Act, the National Historic Preservation Act, the Endangered Species Act and all other federal and state environmental laws.
7. The SUBGRANTEE will not enter into a contract with a contractor who is on the General Services Administration (GSA) List of Parties Excluded from Federal Procurement or Non-procurement Programs.
8. The SUBGRANTEE will comply with minimum wage and maximum hours provision of the Federal Fair Labor Standards Act.
9. The SUBGRANTEE shall comply with all applicable federal and state non-discrimination laws, regulations, and policies. No person shall, on the grounds of age, race, color, sex, religion, national origin, marital status, or disability (physical or mental) be denied the benefits of, or otherwise be subjected to discrimination under any project, program, or activity, funded, in whole or in part, under this Agreement. A violation of this provision is a material breach and cause for termination under Section 16.0 of this Agreement.
10. The SUBGRANTEE shall utilize certified minority-owned and women-owned businesses (MWBE's) to the maximum extent possible in the performance of this Agreement.
11. The SUBGRANTEE does not have to comply with the provisions of the Davis-Bacon Act for grants made under the disaster assistance program. However, if FEMA and any other Federal agency are a party to a contract for the repair or restoration of a public building or public facility, the contract would have to comply with the Davis-Bacon Act.
12. The SUBGRANTEE and its contractors, subcontractors and other employers providing work, labor or materials as a result of the application are subject employers under the Oregon Workers' Compensation Law. All employers, including SUBGRANTEE, that employ subject workers who work under this Agreement in the State of Oregon shall comply with ORS 656.017 and provide the required Workers' Compensation coverage, unless such employers are exempt under ORS 656.126. Contractor shall ensure that each of its Subcontractors complies with these requirements. This shall include Employer's Liability Insurance with coverage limits of not less than \$100,000 for each accident.

20.0 OWNERSHIP OF PROJECT/CAPITAL FACILITIES

OEM makes no claim to any capital facilities or real property improved or constructed with funds under this Agreement, and by this grant of funds does not and will not acquire any ownership interest or title to such property of the SUBGRANTEE.

21.0 ACKNOWLEDGMENTS

The SUBGRANTEE shall include language which acknowledges the funding contribution of the Federal Emergency Management Agency (FEMA) to this project in any release or other publication developed or modified for, or referring to the project.

22.0 INSURANCE

The SUBGRANTEE will comply with the insurance requirements of the Stafford Act, as amended, and obtain and maintain any other insurance as may be reasonable, adequate, and necessary to protect against further loss to any property which was replaced, restored, repaired or constructed with this assistance.

23.0 SEVERABILITY

If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions and applications of this Agreement shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular term or provision held to be invalid.

24.0 HEADINGS

The section headings in this Agreement are included for convenience only, do not give full notice of the terms of any portion of this Agreement and are not relevant to the interpretation of any provision of this Agreement.

25.0 AGREEMENT ADMINISTRATION

The Parties' representatives for purposes of this agreement are:

For SUBGRANTEE:

NAME Joe GARLITZ
TITLE Administrator
ADDRESS 180 N 8th Ave PO. Box 128
CITY Elgin, OR 97827
Phone: 541-437-2253
Fax: 541-437-2253

For OEM:

Abby Kershaw
Section Director, Financial and Recovery Services Section
Oregon Emergency Management
P. O. Box 14370
Salem, OR 97309-5062
Phone: (503)378-2911, ext 22227
Fax: 503-373-7833

Notices under this agreement shall be given in writing by personal delivery, facsimile, email or by regular or certified mail to the person identified in this Section, or to such other person or at such other address as either party may hereafter indicate pursuant to this section. Any notice delivered personally shall be deemed received upon delivery. Notice by facsimile shall be deemed given when receipt of the transmission is generated by the transmitting machine. Notice by email is deemed received upon a return email or other acknowledgment of receipt by the receiver, and notice by certified or registered mail is deemed received on the date the receipt is signed or delivery is refused by the addressee.

26.0 ENTIRE AGREEMENT

This Agreement sets forth the entire Agreement between the parties with respect to the subject matter hereof. Any additional terms and conditions imposed by the Federal Emergency Management Agency or OEM will be incorporated into an amendment to this Agreement. Commitments, warranties, representations and understandings or agreements not contained, or referred to, in this Agreement or written amendment hereto shall not be binding on either party. Except as may be expressly provided herein, no alteration of any of the terms or conditions of this Agreement will be effective without the written consent of both parties.

IN WITNESS WHEREOF, OEM and the SUBGRANTEE have executed this Agreement as of the date and year written below.

Abby Kershaw, Section Director,
Financial and Recovery Services Section
Office of Emergency Management
Date:

Subgrantee Signature
Printed Name: Joe GARHIE
Title: Administrator
Date: 3-23-2004

APPROVED AS TO FORM

Keith Kutler
Assistant Attorney General

DATE: 2-04-04

Oregon Emergency Management
P. O. Box 14370
Salem, OR 97309-5062

SUBGRANTEE - PLEASE PRINT THE FOLLOWING TO EXPEDITE PROCESSING

Federal Tax ID No. (TIN): 93-6002155

Organization: City of Eugene

Address: P.O. Box 128
Eugene, OR 97127
Phone: 541 437-2253

CFDA: 97-036